

August 26, 2009

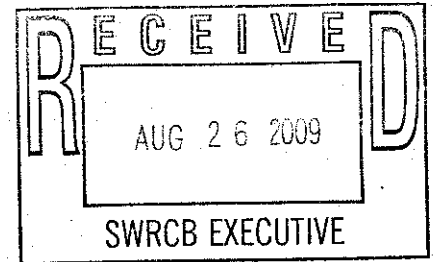
Mayor:
CHUCK DELLA SALA

Councilmembers:
LIBBY DOWNEY
JEFF HAFERMAN
NANCY SELFRIDGE
FRANK SOLLECITO

City Manager:
FRED MEURER

Jeanine Townsend
Clerk to the Board
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814

RE: Cal-Am CDO Hearing Workshop
Subject: City of Monterey's Comment Letter



Dear Ms. Townsend:

The City of Monterey respectfully requests that the State Water Resources Control Board ("Board") consider modifications to draft Order WR 2009-00XX ("Draft CDO"). The proposed modifications are as follows:

1. Exempt specific public safety and public health projects from those projects that would be subject to the proposed Order.
2. Exempt the 108 acre feet of remaining water credits as determined and controlled by the Monterey Peninsula Water Management District ("District").

The City of Monterey fully appreciates the need to identify and develop new water resources to offset the water currently being diverted from the Carmel River. To this end, the City of Monterey has diligently worked with both Cal-Am and the "District" to identify and promote new water resources, regardless of production amounts. However, due to various political considerations, including a wary electorate, no significant new sources of water have been developed in over 20 years along the Monterey Peninsula. The result of this lack of progress has negatively affected the property owners and residents of the City of Monterey. As we speak, the California Public Utilities Commission (CPUC) is evaluating a DEIR that includes three (3) possible new water sources, each of which is capable of providing enough water to address Order 95-10 and the Seaside Basin Adjudication decisions.

The City of Monterey has taken a pro-active role in the review and promotion of the Regional Alternative Project, one of the three (3) alternatives identified in the DEIR. While the City works with the other agencies to identify and develop new water sources, the City and its residents have made significant sacrifices and have gone to great lengths to conserve water. "District" requirements related to conservation are among the most stringent in the state and exceed requirements of most districts in the state. The City has instilled strong water conservation

ethics by installing low-flow or waterless fixtures throughout City buildings, drought-tolerant landscaping, drip irrigation and use of non-potable water for landscaping areas. The City recently adopted a Green Building Ordinance, actively promotes water conservation to residents and the development community, and leads by example by encouraging in-fill redevelopment that employs sustainable building practices, including the wise use of water resources.

While the City of Monterey recognizes the need to reduce the amount of water being diverted from the Carmel River to achieve an environmental equilibrium, the proposed Draft CDO does not take into consideration the basic needs of the residents of the Peninsula, including the expansion of medical facilities (hospitals, medical offices and care facilities), and the necessary expansions of public safety facilities including fire and police stations and the associated staffing.

All of the Peninsula jurisdictions are subject to the water allocation amounts approved by the "District" Board of Directors. Of the original allocation of just over 530 acre feet of water, only 108 acre feet remain. Of the remaining water credits, over half (54.152 acre feet) is in the City of Seaside account. The remaining credits are spread between seven (7) peninsula jurisdictions, including the City of Monterey. For the City of Monterey, our outstanding allocation equals 7.27 acre feet, of which a majority has been set-aside for public benefit projects (rehabilitated and new public restrooms, etc.), and two mixed-use, affordable housing projects. Elimination of these credits will have a substantial impact upon the property owners and the public, while resulting in a minute or immeasurable impact upon the Carmel River flows and the resultant impacts to the associated fauna.

It is the responsibility of the City of Monterey to ensure that our residents and visitors have a safe environment in which to live and work. Integral to this responsibility is to assist private health entities in the development of necessary health facilities to support our residents and visitors, including our expanding senior population, and to provide emergency services equal to or greater than the State standards for fire fighting and police services. If the "Draft CDO" is adopted as drafted, the City of Monterey will have no way to assist or support in the expansion of our current health and public safety facilities, and the ability of residents and visitors to have a safe and healthy environment would be in question.

In conclusion, the City of Monterey recognizes the need to reduce the amount of water being diverted from the Carmel River and supports efforts to reach the thresholds specified in Order 95-10. The protection and enhancement of the natural environment along the entire Monterey Peninsula is a primary policy of the City of Monterey, and we will continue to work with CalAm and the "District" to ensure this protection from a water perspective. However, the City does believe that adopting a blanket moratorium on new water permits, including new water

connections and the expansion of existing facilities, does not take into consideration important public health and safety considerations, and the elimination of the 108 acre feet of water from the "District" allocations to the local jurisdictions will jeopardize public benefit projects that are focused on some of the most vulnerable members of our society, low income individuals and families.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Chuck Della Sala".

Chuck Della Sala
Mayor